

ILLINOIS REGISTER

ILLINOIS RACING BOARD

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Pick (N) Pools
- 2) Code Citation: 11 Ill. Adm. Code 308
- 3)

<u>Section Numbers:</u> 308.20 308.40 308.90	<u>Proposed Action:</u> Amend Amend Amend
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- 4) Statutory Authority: 230 ILCS 5/9(b)
- 5) A Complete Description of the Subjects and Issues Involved: Currently Section 308.20 describes six methods for organization licensees to follow when conducting their Pick (N) Pool wagers. This proposed rulemaking adds a seventh method with a “unique winning ticket” provision. This wagering option was recently adopted by Gulfstream Park, calling it the “Rainbow 6”. Gulfstream saw an increase in the interest of the fans because of this rule.

This proposed rulemaking also repeals subsections 308.40(b) and 308.90(e). These subsections currently require that once wagering has closed for the first race of a Pick (n) Pool, if a race is moved from the turf course to the dirt track, then all ticket holders are considered winners for that race for the Pick (n) Pool. If this occurs in any leg of a Pick (n) Pool, the carryover from previous performances shall not be included in the distribution unless the pool has been designated as a mandatory distribution. The original rationale for implementing the surface change rule in Illinois was to protect the wagering public in the case of numerous scratches caused by a late surface change. With the introduction of a synthetic surface at Arlington Park, the number of horses scratched because of surface changes should be minimal, as the synthetic surface should handle the rain and remain “fast”. There is no longer a need for this rule.

- 6) Published studies or reports and sources of underlying data used to compose this rulemaking: None
- 7) Will this proposed rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending in this Part? No

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- 11) Statement of Statewide Policy Objectives: No local governmental units will be required to increase expenditures.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments should be submitted, within 45 days after this notice, to:

Mickey Ezzo
Illinois Racing Board
100 West Randolph
Suite 7-701
Chicago, Illinois 60601

(312) 814-5017

- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda which this rulemaking was summarized: This rulemaking was not included on either of the two most recent regulatory agendas because: The Board did not anticipate the need for this rulemaking at that time.

The full text of the Proposed Amendments begins on the next page:

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TITLE 11: ALCOHOL, HORSE RACING, AND LOTTERY

SUBTITLE B: HORSE RACING

CHAPTER I: ILLINOIS RACING BOARD

SUBCHAPTER a: GENERAL RULES

PART 308

PICK (N) POOLS

Section

308.10	Pick (n)
308.20	Pool Calculations
308.30	Dead Heats
308.40	Scratches
308.50	Cancellation of Races
308.60	Carryover Cap
308.70	Mandatory Distribution
308.80	Disclosure
308.90	Pick Three Pools

AUTHORITY: Implementing and authorized by Section 9(b) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/9(b)].

SOURCE: Adopted at 18 Ill. Reg. 7433, effective May 8, 1994; amended at 19 Ill. Reg. 5039, effective April 1, 1995; amended at 30 Ill. Reg. 6165, effective April 1, 2006; amended at 32 Ill. Reg. 10143, effective July 1, 2008; amended at 35 Ill. Reg. _____, effective _____.

Section 308.20 Pool Calculations

The organization licensee may select one of the following methods for conducting its Pick (n) pool. As used in this Part, "Major Pool" is defined as seventy-five (75%) of the daily net pool; and "Minor Pool" is defined as twenty-five (25%) of the daily net pool. Any deviation from the Major/Minor pool percentage division must be approved by the State Director of Mutuels.

- a) Method 1, Pick (n) with Carryover: The net Pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the remainder shall be added to the carryover.

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- b) Method 2, Pick (n) with Minor Pool and Carryover: The major share of the net Pick (n) pool and the carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher of all Pick (n) contests, the minor share of the net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover.
- c) Method 3, Pick (n) with No Minor Pool and No Carryover: The net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool is refunded.
- d) Method 4, Pick (n) with Minor Pool and No Carryover: The major share of the net Pick (n) pool shall be distributed to those who selected the first place finisher in the greatest number of Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in a second greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests. If the greatest number of first-place finishers selected is one (1), the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.
- e) Method 5, Pick (n) with Minor Pool and No Carryover: The major share of net Pick (n) pool shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in all Pick (n) contests, the entire net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests. If there are no wagers selecting the first-place finisher in a second greatest number of Pick (n) contests, the minor share of the net Pick (n) pool shall be combined with the major share for distribution as a single price pool.

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to those who selected the first-place finisher in each of the Pick (n) contests. If there are no winning wagers, the pool is refunded.

- f) Method 6, Pick (n) with Minor Pool and Carryover: The net Pick (n) pool and carryover, if any, shall be distributed to those who selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first-place finisher in all Pick (n) contests, two-thirds of the net pool (major pool) or one-half of the total gross pool, whichever is greater, shall be distributed as a single price pool to those who present a valid pari-mutuel wager for that Pick (n) pool and the remaining one-third of the net pool shall be added to the carryover. The minimum pay-off provisions contained in 11 Ill. Adm. Code 405.130 shall not apply when distributing the major pool in this pool calculation.
- g) Method 7, pick (n) with "Unique Winning Ticket" provision: The net Pick (n) pool and carryover, if any, shall be distributed to the holder of a unique winning ticket that selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish. The minor share of the net Pick (n) pool shall be distributed to those who selected the first-place finisher in the second greatest number of Pick (n) contests, based upon the official order of finish. If there is no unique winning ticket selecting the first-place finisher in each of the pick (n) contests, or if there are no wagers selecting the first-place finisher of all Pick (n) contests, the minor share of the net Pick (n) pool shall be distributed as a single price pool to those who selected the first-place finisher in the greatest number of Pick (n) contests; and the major share shall be added to the carryover. Unique Winning Ticket, as used in this subsection, shall be defined as having occurred when there is one and only one winning ticket that correctly selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish, to be verified by the unique serial number assigned by the tote company that issued the winning ticket. In the event that there is more than one winning ticket that correctly selected the first-place finisher in each of the Pick (n) contests, based upon the official order of finish, the Unique Winning Ticket shall be deemed to not have occurred.

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 308.40 Scratches

- a) Should a betting interest in any of the Pick (n) contests be scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the closing of

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wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

- b) ~~Once wagering has closed for the first race of a Pick (n) Pool, if a race is moved from the turf course to the dirt track, then all ticket holders are considered winners for that race of the Pick (n) Pool. The entire net pool shall be distributed as a single price pool to those whose selections finish first in the greatest number of Pick (n) contests. Any previous carryover shall not be included unless the pool has been designated as a mandatory distribution.~~

(Source: Amended at 35 Ill. Reg. _____, effective _____)

Section 308.90 Pick Three Pools

- a) The Pick 3 requires selection of the first-place finisher in each of three specified contests.
- b) The net Pick 3 pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:
- 1) As a single price pool to those whose selection finished first in each of the three contests; but if there are no such wagers, then
 - 2) As a single price pool to those who selected the first-place finisher in any two of the three contests; but if there are no such wagers, then
 - 3) As a single price pool to those who selected the first-place finisher in any one of the three contests; but if there are no such wagers, then
 - 4) The entire pool shall be refunded on Pick 3 wagers for those contests.
- c) If there is a dead heat for first in any of the three contests involving:

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- 1) contestants representing the same betting interest, the Pick 3 pool shall be distributed as if no dead heat occurred.
 - 2) contestants representing two or more betting interests, the Pick 3 pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.
- d) Should a betting interest in any of the Pick 3 contests be scratched, the actual favorite, as evidenced by total amounts wagered in the Win pool at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the Win pool total for two or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.
- e) ~~Once wagering has closed for the first race of a Pick (n) Pool, if a race is moved from the turf course to the dirt track, then all ticket holders are considered winners for that race for the Pick (n) Pool. If this occurs in any leg of a Pick (n) Pool, the carryover from previous performances shall not be included in the distribution unless the pool has been designated as a mandatory distribution.~~
- ef) If two or three Pick 3 contests are cancelled or declared "no contest", the entire pool shall be refunded on Pick 3 wagers for those contests.
- fg) If one of the Pick 3 contests is cancelled or declared "no contest", the Pick 3 pool will remain valid and shall be distributed in accordance with subsection (b)(2).

(Source: Amended at 35 Ill. Reg. _____, effective _____)